BOROUGH OF LAKEHURST LAND USE BOARD REORGANIZATION MEETING JANUARY 23, 2023 MINUTES

MEETING OPENED AT 7:30 P.M. BY MAYOR HARRY ROBBINS.

ALL STOOD FOR THE PLEDGE OF ALLEGIANCE.

PUBLIC MEETINGS STATEMENT READ BY BOARD SECRETARY MARYANNE CAPASSO:

"IN COMPLIANCE WITH N.J.S.A. 10:4, OPEN PUBLIC MEETINGS ACT, NOTICE WAS GIVEN TO TWO NEWSPAPERS, AND POSTED, THAT THE REORGANIZATION MEETING OF THE LAKEHURST LAND USE BOARD IS SCHEDULED FOR THE TWENTY-THIRD DAY OF JANUARY, 2023 AT THE HOUR OF 7:30 P.M. TO BE HELD IN THE LAKEHURST COMMUNITY CENTER, 207 CENTER STREET, AT WHICH TIME THE BUSINESS OF THE BOARD WILL BE CONDUCTED."

ATTORNEY GREGORY J. HOCK ADMINISTERED THE OATH OF OFFICE TO:

STEVEN OGLESBY KORI BRENNAN MARANDA SALAS

ROLL CALL:

MAYOR ROBBINS: PRESENT

COUNCILMAN OGLESBY: PRESENT

DAVID BURTON: PRESENT

KORI BRENNAN: PRESENT

ANDREW HODGES: PRESENT

*#1 JEFF EMMONS: ABSENT

APPROVAL OF MINUTES:

Motion by: Steven Oglesby Seconded by: David Burton To approve minutes of July 25, 2022 Regular meeting. Roll call vote held. All votes affirmative with the exception of Maranda Salas, Kori Brennan, and Eric Robbins who abstained due to their absence at the July 25th regular meeting.

Motion by: Maranda Salas Seconded by: Kori Brennan

To approve minutes of October 27, 2022 Regular meeting. Roll call vote held. All votes

affirmative.

REORGANIZATION:

- 1. Motion by: Maranda Salas Seconded by: Eric Robbins
 To appoint Gregory J. Hock, Esq. as Land Use Board Attorney for 2023. Roll call vote held. All votes affirmative.
- 2. Motion by: Andrew Hodges Seconded by: Maranda Salas To appoint Alan Dittenhofer as Land Use Board Engineer for 2023. Roll call vote held. All votes affirmative.
- 3. Motion by: Kori Brennan Seconded by: Andrew Hodges To appoint David Burton as Land Use Board Chairman for 2023. Roll call vote held. All votes affirmative.
- 4. Motion by: Mayor Robbins Seconded by: Eric Robbins To appoint Maranda Salas as Land Use Board Vice-Chairman for 2023. Roll call vote held. All votes affirmative.
- 5. Motion by: Maranda Salas Seconded by: Steen Oglesby To appoint Maryanne Capasso as Land Use Board Secretary for 2023. Roll call vote held. All votes affirmative.
- 6. Motion by: Maranda Salas Seconded by: Andrew Hodges To approve 2023 Schedule of Meetings. Roll call vote held. All votes affirmative.

NEW BUSINESS:

APPLICATION OF C3 LAKEHURST LLC FOR PRELIMINARY AND FINAL MAJOR SITE PLAN APPROVAL FOR CONVERSION OF THE EXISTING RESTAURANT BUILDING TO A CANNABIS RETAIL BUSINESS:

Michael McQueeny, attorney for the applicant, stated the applicant is here tonight seeking Site Plan approval for a Class 5 retail establishment located in the B-2 zone at 145 Route 70, also known as Block 56, Lot 18. Mr. McQueeny also stated the applicant is an establish cannabis operator that completed a cannabis retail establishment application with the Borough of Lakehurst and has received a Resolution of Support from the governing body on September 16, 2022. Mr. McQueeny further stated that the applicant is not making material changes to the site but simply upgrading the facet that will improve the aesthetics of the site. Mr. McQueeny went on to state that the applicant is in receipt of a review letter dated January 10, 2023 from the Land Use Board Engineer stating that the application is complete and notes that the applicant's plan logic complies with variance importance including bulk requirements, existing variance of lot frontage, the site is not within a residential zone, the applicant does not exceed the licenses limits in the B-2 zone, the applicant is the only licensee on the east side of Lake Street, and for

other areas, the engineer noted the applicant should provide testimony on those issues. Mr. McQueeny indicated three witnesses are here tonight to give testimony, one being the applicant himself who will testify on the operation of cannabis retail on the site, the engineer who will provide testimony to the site plan, and an architect who will testify on the internal fit-out of the facility.

Applicant's Engineer Brian Liebeskind was sworn to give testimony at 7:40 p.m. by Board Attorney Gregory J. Hock. Mr. Liebeskind's qualifications were accepted by the Land Use Board.

Copy of Site Plan was introduced as exhibit A-1.

Mr. Liebeskind testified the proposed site is the former Burger King adding it is situated on the north side of Route 70 at the intersection of Manapaqua Avenue. Mr. Liebeskind also testified that the site is located in the B-2 Highway Business zone and is in full complaint of the bulk requirements for this zone. Mr. Liebeskind further testified the existing parking lot, the two driveway entrances, one being 32-foot-wide access off of Manapaqua Avenue and the other being 34-foot-wide access off of Route 70, the site elements in front of the building including the flagpole, sitting area, and raised planters will remain. Mr. Liebeskind went on to say that there are currently 65 parking stalls along with 3 ADA parking stalls that will be restriped and added the walkway from the ADA parking stall to the building will be widened. Mr. Liebeskind testified that the drive thru access will be blocked off with two large, raised planters, 2 feet by 4 feet, placed side-by-side at both ends of the drive thru. Mr. Liebeskind also testified that the applicant is proposing to keep the existing sign off the Route 70 access adding the sign was approved by the Land Use Board in 2002.

Mr. McQueeny referred to the Land Use Board Engineer review letter dated January 10, 2023 and asked if the site plan shows the proposed cannabis retail establishment 200 feet from the school.

Mr. Liebeskind answered the site plan shows the 200-foot radius around the proposed establishment as well as the certified 200-foot property owners list adding both indicate there is no school within 200 feet.

Mr. McQueeny asked Mr. Liebeskind to respond to the review letter's reference to the free-standing sign.

Mr. Liebeskind answered the former Burger King had received a waiver for signage requirements from the Land Use Board. Mr. Liebeskind stated the free-standing sign is setback 9 feet from the property line and added the driveway is wide enough; therefore, the free-standing will stay in the location that it is at now.

Mr. McQueeny questioned the building sign.

Mr. Liebeskind responded the applicant will comply with the borough ordinance in

regard to the building sign.

Mr. McQueeny stated the review letter states parking and loading areas for commercial and industrial uses shall be buffered from adjoining streets, whereas no landscaping is existing or propose within the buffer area of the proposed site asking Mr. Liebeskind to discuss.

Mr. Liebeskind answered there is a site easement that cuts the corner of the site at the intersection adding in order for cars to see traffic on the street, no landscaping will be provided on the property frontage.

Mr. McQueeny questioned if the applicant will provide additional trees to comply with the borough ordinance.

Mr. Liebeskind responded the applicant will plant the required trees.

Mr. McQueeny stated the review letter states no loading/unloading space is existing or proposed asking where deliveries will be made.

Mr. Liebeskind answered there is a space located in front of the refuse enclosure that was used as loading/unloading space and will continue to be used as such.

Mr. McQueeny further stated borough ordinance states sidewalks shall be provided along all street frontages whereas there is no sidewalk along Route 70 and portion of Manapaqua Avenue asking if sidewalks will be installed.

Mr. Liebeskind responded sidewalks were omitted previously in the residential area on the west side of the proposed site and the commercial area to the east side as well as the frontage adding the Master Plan does not call for future sidewalks.

Mr. McQueeny questioned EV ready spaces on site.

Mr. Liebeskind answered at the north of the parking lot will have two EV ready spaces.

Mr. McQueeny questioned ADA parking.

Mr. Liebeskind answered the existing parking lot has 65 parking stalls adding the area in front will be restriped to accommodate three ADA parking space. Mr. Liebeskind stated the ADA ramp leading to the doorway will be refurbished.

Mr. McQueeny asked what is proposed for blocking the existing drive-thru.

Mr. Liebeskind responded there will be two 2 feet by 4 feet planters set side by side at each end of the drive-thru.

Mr. McQueeny asked if there will be any off-site improvements.

Mr. Liebeskind responded there will not be off-site improvements.

Mr. McQueeny questioned the potential traffic impact as a result of the proposed use at the site.

Mr. Liebeskind answered the traffic that will impact the proposed use will be far less than the prior fast-food use.

Mr. McQueeny questioned parking spaces.

Mr. Liebeskind answered there are 65 parking spaces adding only 22 parking spaces are required for retail use.

Mr. McQueeny asked Mr. Liebeskind to describe the grading and drainage at the proposed stie.

Mr. Liebeskind responded the existing parking lot is pitched south to north with the drainage basin located at the north end of the building adding the surface flow is directed to the concrete swale that is located at the northeast side of the drainage basin. Mr. Liebeskind stated that he has no knowledge of any drainage issues on site; however, an improvement to the access to the concrete swale by introducing a two-foot opening will help facilitate the drainage at the north corner of the site.

Mr. McQueeny questioned the adequacy of lighting.

Mr. Liebeskind responded that there are a total of four lights on site, the majority of the parking lot is illumined by a fixture in each corner of the lot. Mr. Liebeskind stated the lights are not on today adding there is a good chance that they are still functioning. Mr. Liebeskind further explained a lighting analysis will be conducted to comply with borough code.

Mr. McQueeny asked Mr. Liebeskind to describe the conditions and the adequacy of the landscaping.

Mr. Liebeskind responded there is foundation planting in front of the building, along the fencing around the drainage basin, and along the fencing in the back. Mr. Liebeskind stated the applicant will add three additional trees to the parking lot landscape as required and added the existing tree near the front entrance will be pruned.

Mr. McQueeny stated he is done questioning the first witness and will pause for any questioning from the board.

Board member Maranda Salas asked if there are any plans for repaying the parking lot.

Mr. Liebeskind responded the state of the existing parking lot is in reasonable shape, no signs of serious underlying branches or cracking and added there are plans to seal coat and restripe.

Board Chairman David Burton questioned the size of the delivery trucks and if there is adequate space for delivery.

Mr. McQueeny answered deliveries are staggered and are made by splitter vans.

Board Engineer Pamela Hilla asked if the outdoor seating will remain.

Mr. McQueeny responded the outdoor seating will be intended to be used primarily for employees' lunches adding the consumption of cannabis on a retail site, either indoor or outdoor, is strictly prohibited.

Ms. Hilla stated for the record, the building sign will be conforming, the curb cut will be improved, and the rear drive thru will be barricaded. Ms. Hilla also stated the applicant will obtain outside approval for water and sewer hook-up with the borough for the site and submit a letter of interest stating there is no increase in flow from the proposed use. Ms. Hilla further stated that pinelands approval is not required.

Mayor Robbins questioned the fencing around the property.

Mr. Liebeskind answered the wooded fence will be replaced.

Mr. Burton stated his concerns of not having sidewalks.

Mr. Liebeskind answered the commercial property to the east of the proposed property does not have a sidewalk.

Mr. McQueeny added that the applicant did not want to change the site too much and added the prior approval for Burger King did not require sidewalks.

Mr. Burton responded it would be beneficial to the applicant to have sidewalks.

Mrs. Salas asked where exactly sidewalks would be installed.

Board member Andrew Hodges stated the sidewalk terminates at the residential property west of the proposed site, the board would like it to continue to the driveway of the proposed site and along Route 70.

Mr. Burton stated having sidewalks would keep pedestrians from walking in the streets and on the property, as well as keeping them safe.

Mayor Robbins stated that the applicant will have to go through the state to obtain permits to install sidewalks along Route 70.

Applicant's architect Oliver Wilhelm was sworn in to give testimony at 8:10 p.m. by Board Attorney Gregory J. Hock. Mr. Wilhelm's qualifications were accepted by the

Land Use Board.

Mr. Wilhelm testified that the proposed cannabis retail establishment will have three basic areas. Mr. Wilhelm stated there is the main entrance to the establishment, from the main entrance, the consumer will enter the lobby where the consumer will check-in and show identification, and from the lobby, the consumer will enter the retail area which will be closed to the public. Mr. Wilhelm explained the windows surrounding the retail area will be replaced with spandrel glass. Mr. Wilhelm also stated in back of the establishment, where the prior kitchen was located, will be used for support for cannabis retail. Mr. Wilhelm explained the back area will have a door to be used for the loading area. Mr. Wilhelm stated there will be two ADA complaint bathrooms for the consumer and one unisex, ADA complaint bathroom for the employees.

Mr. Burton questioned the location of the cannabis products stating Ordinance 25-32.2e states all products and accessories for a Class 5 Retail License shall be at a minimum at or near the center of the store.

Mr. Wilhelm answered there is a vault in the back area where the product will be stored, very little product will be on the "sale's floor".

Mr. Burton asked if the vault and doors will be up to code and secured.

Mr. Wilhelm answered in the affirmative.

Mr. Burton questioned security cameras.

Mr. Wilhelm answered the applicant will testify in regard to security cameras adding security cameras are required by the state.

Mr. Burton stated the sitting area is "inviting" to the consumer.

Mr. McQueeny responded by state regulation and borough ordinance, outside consumption is not permitted adding there will be a security guard on site.

Mr. Hodges asked if there will signage stating no consumption allowed on property.

Mr. Wilhelm answered yes.

Mr. Burton questioned the cannabis products being delivered and how it is handled.

Mr. Wilhelm answered the applicant will give testimony on deliveries.

Ms. Hilla stated Ordinance 25-32.4e states a cannabis retail store shall provide an air treatment system with sufficient odor absorbing ventilation and exhaust system asking how the proposed establishment is handling this compliance.

Mr. Wilhelm responded the roof, and all mechanical units, will be removed and replaced

with a new roof with new installation and new HVAC units that complies with the codes. Mr. McQueeny added the applicant will testify to the types of odors that come with a retail establishment. Mr. McQueeny further added that all products will be pre-packaged, there is no growing or manufacturing on site.

Councilman Oglesby stated for the record there will be no drive thru services.

Mr. Wilhelm responded there will be no drive thru services; however, the two drive thru windows are remaining, but will be locked and secured, in the event drive thru services are permitted in the future.

Mr. Wilhelm stated the soffits above the windows will be replaced and lights will be added to provide more lighting around the building.

Mr. Burton asked what the maximum of people allowed in the building.

Mr. Wilhelm responded 200 people for the retail adding the building is in compliant as well as egress. Mr. Wilhelm stated the fire prevention system is also in complaint with the R-5 construction.

Mr. Burton questioned the proper signage for fire.

Mr. Wilhelm answered the applicant will comply with what is required.

Applicant Ankur Rungta was sworn in to give testimony at 8:23 p.m. by Board Attorney Gregory J. Hock.

Mr. Rungta stated he is the CEO of C3 Industries, the company that applied for Class 5 Retail establishment at 145 Route 70. Mr. Rungta also stated C3 Industries is a multistate operator of cannabis, they employ over 600 employees, have 19 retail stores in four states, 250,000 square feet of cultivation processing facilities, and have been in the business since 2017. Mr. Rungta further stated he comes from the finance "world" adding he was a corporate lawyer for an investment banker in New York who dealt in real estate redevelopment. Mr. Rungta went on to say C3 Industries is used to going through the land use process and being in compliance with rules and regulations adding New Jersey has a strong oversight program, the rules are very strictly enforced at the state level. Mr. Rungta also stated that the cannabis industry is heavily regulated in New Jersey because how new it is and added he understands the concerns one might have.

Mr. Rungta addressed the sidewalks stating he has no problem installing them adding his only fear is that it might delay the opening of the retail establishment if the state delays the permit. Mr. Rungta asked if he is approved this evening, could the board allow them to move forward with the renovations while waiting for approval from the state.

Mr. McQueeny asked Mr. McQueeny to explain the operations of a cannabis retail establishment.

Mr. Rungta testified that the cannabis retail establishment will serve adult use customers over the age of 21. Mr. Rungta stated the establishment will not be engaging medical cannabis sales because the establishment will only be holding an adult use license issued from the state. Mr. Rungta also stated the establishment will be similar to an alcohol retail business, the same traffic pattern, and identification will be checked. Mr. Rungta further stated a fully trained security guard will be on the premise during hours of operation as required by the state adding the security guard will be checking that the outside of the building is secured, no one is loitering, and no cannabis product is consumed. Mr. Rungta went on to say who is entering the establishment is critical, identification will be checked before entering the retail area and employees will have key fobs to access all doors adding only certain employees will have access to the vault. Mr. Rungta stated the state has specific rules for security adding cameras will be installed both inside and outside of the establishment. Mr. Rungta indicated that with the security equipment, security guards, and the lighting all around the establishment, it is not a business someone wants to "mess with" adding this type of business will not have an impact on the police department. Mr. Rungta assured that the borough police department will have full access to the on-site video cameras.

Mr. McQueeny asked for explanation of loading and unloading of cannabis products to the site.

Mr. Rungta testified that splitter vans will be making the deliveries adding the deliveries are scheduled ahead of time so there is no unexpected deliveries. Mr. Rungta stated there is no huge volume coming in adding the establishment will take two to three deliveries a day. Mr. Rungta also stated the establishment takes in small package goods so unloading the van will only take a five to ten minutes. Mr. Rungta explained when the products are delivered, the product is checked first into a manifesting system adding the state requires that all products are tracked. Mr. Rungta further explained that once it is checked in, the product is moved to the vault.

Mr. McQueeny asked if the majority of the product is on the retail floor or in the vault.

Mr. Rungta testified that the mass majority is stored in the vault adding some products are in the show room. Mr. Rungta stated no one can go behind the counters, they are gated off. Mr. Rungta also stated that there is a one-to-one customer to sale person ratio.

Mr. Oglesby asked how many employees are expected on a daily basis besides the security guards.

Mr. Rungta responded depending on the time of day and the level of how busy it gets, it could be six employees up to twelve to fourteen during busy hours. Mr. Rungta stated the busy time is late evening and Friday through Sunday.

Ms. Hilla asked the hours of operation.

Mr. Rungta responded the establishment intends to be open from 10 a.m. to 9 p.m., 7 days a week.

Mrs. Salas asked if C3 Industries has their own staff or will they be hiring.

Mr. Rungta answered they will be hiring locally adding they may bring in their own regional manager who has experience in the market.

Mr. Burton questioned the state statue for age requirement to sell cannabis.

Mr. Rungta answered 21 years of age.

Ms. Hilla asked Mr. Rungta to testify his intentions of obtaining a Class 6 delivery license.

Mr. Rungta testified that the Class 5 retail license allows C3 Industries to deliver cannabis products from their store only adding a Class 6 delivery license allows them to deliver products on behalf of other stores. Mr. Rungta stated he has no plans at the moment but would like to keep the option open.

Mrs. Salas asked how the deliveries work as far as identification.

Mr. Rungta responded there are strict rules on how the order is placed, identification in regard to age, and how the delivery is tracked. Mr. Rungta stated he does not plan on a huge delivery adding the location, the parking, and the ease of accessing the parking lot should not warrant delivery.

Mr. Burton questioned the consumption of cannabis product on site.

Mr. Rungta answered that if the board so wishes to have the outside sitting area removed, he will comply.

Ms. Hilla asked for the record, the sale of alcohol, tobacco, or food on the premises will be prohibited.

Mr. Rungta testified that under state rules, no sale of alcohol, tobacco, or food will be sold on the premises.

Mr. Burton asked if edibles will be sold at the establishment.

Mr. Rungta answered in the affirmative and added it will be prepackaged.

Ms. Hilla questioned the area on the site plan that is labeled as area in use by adjacent landowner.

Mr. Rungta answered the adjacent owner is encroaching on the site adding we might

enter into an agreement with them or may asked them not to use our property. Mr. Rungta stated that it does not encroach the use in any way, adding it is not intruding the parking lot and is not affecting the operation in any way. Mr. Rungta stated it is a trailer that is on the property adding the area is fenced incorrectly.

Mr. Hock stated the board might want to "lock in" as to what will be done. Mr. Hock also stated because this encroachment is part of the site and whether the applicant has control or not, the board needs clarity.

Mr. McQueeny stated the applicant is willing to give a resolution of compliance that they will present an access agreement or show that the adjacent owner left the site. Mr. McQueeny stated the applicant will reach out to the owner.

Ms. Hilla stated in regard to the timing of the sidewalk installation, if a DOT permit is required, the applicant can start on the site improvements, but they must have bonding in place for the sidewalks. Ms. Hilla also stated the condition of obtaining a CO is the sidewalk completion.

Mr. Rungta stated the plan is to start construction in March and plan to open in July adding his fear is the DOT process could go past July. Mr. Rungta asked if he bonds the sidewalk, could he obtain a CO.

Ms. Hilla responded the borough could issue a temporary CO

Mr. Rungta asked if he will be able to operate under a TCO.

Mr. Hock answered the state will allow the operation under a TCO.

PUBLIC COMMENTS ON THE C3 LAKEHURST LLC APPLICATION:

Time opened: 8:49 p.m.

Curtis Johnson, 204 Route 70, stated his only concern is the lighting from the parking lot being too bright and shining into his home adding is it possible to add a reflector.

Mr. Rungta responded stated he will have reflectors added to the light poles.

Time closed: 8:51 p.m.

Motion by: Mayor Robbins Seconded by: Maranda Salas To approve application of C3 Lakehurst LLC for Preliminary and Final Major Site Plan approval for conversion of the existing restaurant building to a cannabis retail business with the following conditions:

- 1) Compliance with all recommendations from the engineer's review letter.
- 2) Waivers as noted in the engineer's review letter shall be granted, except as modified herein.
- 3) Restriping and sealing the parking lot.
- 4) Planting of the require trees.
- 5) Loading area will be added to the site plan.
- 6) Sidewalks will be added to the frontage.
- 7) A TCO can be issued if the DOT is not finished with the review process when the establishment is ready to open.
- 8) The appropriate bonding will be posted to protect the borough, to ensure that the sidewalks will be installed.
- 9) Compliance with the EV ready parking stalls.
- 10) Compliance with ADA site circulation of the parking lot.
- 11) Drive thru lane will not be operating, the lane will be blocked off with planter boxes.
- 12) The drainage will be enhanced by adding an additional curb cut in back.
- 13) All lighting will comply with the ordinance.
- 14) All damage fencing will be replaced.
- 15) The area in use by the adjacent owner will be clarified by a resolution of compliance to show either a grant for an easement or property is taken back and fence installed to secure property.

Roll call vote held. All votes affirmative.

PUBLIC COMMENTS:

Time opened: 8:55 p.m

NO PUBLIC COMMENT

Time closed: 8:55 p.m.

ADJOURNMENT:

Motion by: Andrew Hodges Seconded by: Maranda Salas To adjourn meeting. Roll call vote held. All votes affirmative. Time: 8:55 p.m.

Maryanne Capasso, Secretary Lakehurst Land Use Board